



## Low Carbon Transit Operations Program Fact Sheet

**Background and Funding:** The Low Carbon Transit Operations Program is one of several programs funded as part of 2014-15 State of California budget (by Senate Bill 852 and Senate Bill 862) which have a goal of reduced greenhouse gas emissions and achievement of other benefits. These programs are funded by auction proceeds from the California Air Resource Board's Cap-and-Trade Program, with proceeds deposited into the Greenhouse Gas Reduction Fund. The following chart lists the programs funded by revenues in the Greenhouse Gas Reduction Fund, and the amount of each program's funding in 2014-15, and as an ongoing share of Greenhouse Gas Reduction Funds, where applicable. The Low Carbon Transit Operations Program will receive \$25 million in 2014-15 and 5 percent will be continuously appropriated annually beginning in 2015-16.

Category	Department	Program	2014-15	On-going
	High-Speed Rail Authority	High-Speed Rail Project	\$250 m	25%
Sustainable Communities and Clean Transportation	State Control Office/Caltrans	Low Carbon Transit Operations Program	\$25 m	5%
	CalSTA/ Caltrans	Transit and Intercity Rail Capital Program	\$25 m	10%
	Strategic Growth Council	Affordable Housing and Sustainable Communities Program	\$130 m	20%
	Air Resources Board	Low Carbon Transportation	\$200 m	
Energy Efficiency and Clean Energy	Dept. of Community Services and Development	Energy efficiency Upgrades/Weatherization	\$75 m	
	Energy Commission	Energy Efficiency for Public Buildings	\$20 m	
	Dept. of Food and Agriculture	Agricultural Energy and Operational Efficiency	\$ 15 m	
Natural Resources and Waste Diversion	Dept. of Fish and Wildlife	Wetlands and Watershed Restoration	\$25 m	
	Dept. of Forestry and Fire protection	Fire Prevention and Urban Forestry Projects	\$42 m	
	Cal Recycle	Waste Diversion	\$25 m	





**Legislative History:** Prior legislation established state goals to reduce greenhouse gas emissions and created tools to achieve these reductions.

- Assembly Bill 32 (2006) set greenhouse gas reduction targets and authorized the Capand-Trade Program at the Air Resources Board
- Senate Bill 375 (2008) and Senate Bill 391 (2009) require sustainable communities strategies be included in regional transportation plans and the statewide transportation plan
- Assembly Bill 3034 (2008) placed Proposition 1A before voters, which provides bond funding to reduce greenhouse gas emissions through rail investments, including the high-speed rail project

**Program Goals and Eligible Projects:** Senate Bill 862 created the Low Carbon Transit Operations Program and describes program goals and eligible projects. Approved projects will support new or expanded bus or rail services, or expanded intermodal transit facilities, and may include equipment acquisition, fueling, and maintenance and other costs to operate those services or facilities, with each project reducing greenhouse gas emissions.

**Disadvantaged-Community Benefits:** Legislation Passed in 2011, Senate Bill 535, requires that programs funded from revenues in the Greenhouse Gas Reduction Fund result in benefits to disadvantaged communities. The designation of "disadvantaged communities" is assigned to the California Environmental Protection Agency, and the establishment of guidelines for qualifying expenditures is assigned to the California Air Resources Board. The Low Carbon Transit Operations Program will target grants so that at least 50 percent of project expenditures will benefit disadvantaged communities in agencies that include communities designated as disadvantaged.

**Program Guidelines and Public Input:** Senate Bill 862 directs the Department of Transportation (Caltrans), in coordination with the State Air Resources Board, to develop guidelines describing methodologies to meet criteria for the Low Carbon Transit Operations Program. Public workshops to receive input prior to the development of guidelines are being held in August. Caltrans will also present draft guidelines for review by the Strategic Growth Council.

Roles and Responsibilities of State Agencies: Caltrans, in coordination with the Air Resources Board, shall determine the eligibility of the proposed project based on the documentation provided by the recipient transit agency to ensure compliance with the guidelines. Caltrans will then notify the State Controller of approved expenditures for each transit agency, and the amount of the allocation for each agency determined to be available at the time of approval.

**Timeline:** The Administration will release draft guidelines for comment in the fall of 2014, with guidelines finalized and review of projects funding allocation for projects planned in the first half of calendar year 2015.

Questions or comments may be directed to the Division of Rail and Mass Transportation at (916)653-3060.